



**Thomas A. Schweich**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of Daviess County

Policies and Procedures	Accounting controls and procedures need improvement. The County Clerk made an error in calculating the railroad and utility tax distribution for fiscal year 2012, so taxes were distributed incorrectly for four school districts. After we informed the County Clerk, the Clerk notified the school districts and put plans in place to correct the error. Prior to February 2013, the County Collector-Treasurer had administrative access rights in the property tax system which gave her unlimited access to all information in the system and allowed her to potentially make changes to individual tax records. Because the County Collector-Treasurer is responsible for collecting tax monies, good internal controls require that she not have the ability to alter or delete tax rates, assessed values, and property tax billings. The county pays invoices for fuel purchases without comparing the invoices to individual fuel tickets obtained at the time of purchase, which increases the risk of theft or misuse going undetected.
Daviess-DeKalb Regional Jail	One clerk is responsible for receiving, recording, depositing, disbursing, and reconciling monies for the inmate account with no supervisory review. Monthly lists of liabilities are not prepared for the inmate account, and liabilities are not reconciled with cash balances. The Jail Commission does not review budget-to-actual reports to adequately monitor the status of the jail budget, and in 2012 actual disbursements exceeded budgeted disbursements by \$290,703. Open meeting minutes do not cite the specific statute and subsection allowing the closure of the meeting, and on some occasions issues were discussed in closed meetings that are not allowable under the Sunshine Law. The Jail Commission did not publish its financial statements or provide financial information to the counties for inclusion in the counties' published statements for 2012, as required by state law.
Prosecuting Attorney	The Prosecuting Attorney does not properly perform or document monthly bank reconciliations, and auditors identified several errors when they reviewed the bank statements and computer system records. In addition, a liabilities list is not prepared and reconciled to the available cash balance.
Senate Bill 40 Board	The Senate Bill 40 Board budget documents do not reasonably reflect the anticipated disbursements and the ending cash balance. For 2012, disbursements were overestimated by \$240,921, and the Senate Bill 40 Board Treasurer said the Board directed her to include all available funds as budgeted disbursements to avoid having to amend the budget. The Board Treasurer performs a yearly reconciliation but does not perform monthly bank reconciliations, which impairs the Board's ability to detect and correct errors. The Senate Bill 40 Board did not publish its financial statements for 2012, as required by state law.

Additional Comments	Because counties are managed by several separately-elected individuals, an audit finding made with respect to one office does not necessarily apply to the operations in another office. The overall rating assigned to the county is intended to reflect the performance of the county as a whole. It does not indicate the performance of any one elected official or county office.
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In the areas audited, the overall performance of this entity was **Fair**.\*

American Recovery and Reinvestment Act (Federal Stimulus)	Daviess County did not receive any federal stimulus monies during the audited time period.
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\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.